INTRODUCTION
BANKING ENVIRONMENT

The word "Banking" means, the accepting, for the purpose of lending or investment, of deposit of money from the public, repayable on demand or otherwise, and withdrawal by cheque, draft, order or otherwise. Any bank which transacts this business in India is called BANKING COMPANY. Because of the nature of its business a bank has to ensure that its accounts and books are accurate and always up-to-date.

Nationalization of Banks:

Before 1969, banks existed as commercial units. They were owned and controlled by a very small numbers of shareholders who determined the pattern of allocation and investment of bank finance. According to their own individual interests and convenience. Under some scheme the banks were forced to adopt some of the policies and directions of the Government. But this failed to give right directions to our banks. Then the Prime Minister Mrs. INDIRA GANDHI, nationalised the fourteen top banks in the country with deposit of more than Rs. 50 crores in July 1969. After this the banking system has gained in strength and cohesion. Further nationalization of six more banks followed in 1980.
**Different Types of Bank Accounts**

A bank generally maintain

( i ) Current Account  
( ii ) Deposit Account  
( iii ) Saving Account  
( iv ) Loans And Advances Account

for its customers

For each type of account, a separate ledger is maintained and if their number is large, more than one ledger for each type may be maintained.

**FUNCTIONS:**

Some of the main functions of modern commercial banks are as under

(a) Reserving of money on deposit and providing the facilities to constituents for payments by cheques.

(b) Dealing in securities on its account and on account of customers.

(c) Rendering of money by

- making loans and advances  
- purchasing or discounting of bills

(d) Transferring money from place to place by

- the issue of demand drafts, telegraphic transfers, travellers cheques, etc.
- collection of bills

( e ) Issuing letter of credit
( f ) Safe custody of securities and valueables
( g ) Issuing guarantees
( h ) Buying, selling and dealing in foreign exchange
SYSTEM CONFIGURATION

SYSTEM:
This system has been three parts of model design VDU, CPU & Key Board.

MEMORY:
This system has main memory 640 KB.

CENTRAL PROCESSOR:
This system has a chip of INTEL 8086.

VDU (visual display unit):
This system has display unit with 80*25 characters text display.

HARD DISK:
This system has one hard disk of capacity 20 MB & it is removable.

FLOPPY DRIVE:
This system has one floppy drive of size 5.25*5.25 with memory 360 KB double side double density or memory 1.2 KB high density.
**PRINTER:**

80 or 132 Column dot matrix which can be set into various modes.

**OPERATING SYSTEM:**

This system has operating system MS-DOS of version 5.0. On this operating system we can use high level languages like FORTRAN, COBOL, PASCAL, BASIC, etc. also we can run some software packages like wordstar, dbase-111 plus, lotus 1 2 3, etc.